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CB-II (CPL) No. 2

COMMITTEE ON PAPERS LAID ON THE TABLE (1990-91)

(NINTH LOK SABHA)

SECOND REPORT

(*Presented on*..........25 APR 1990..........)

LOK SABHA SECRETARIAT
NEW DELHI

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April, 1990/Chaitra, 1912 (SAKA)

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(1990-91)

1. Shri Satya Pal Malik—*Chairman*
2. Shri P.A. Anthony
3. Shri Bagun Sumbrui
4. Shri L. Balaraman
5. Dr. Bangali Singh
6. Shri R.M. Bhoye
7. Shri Resham Lal Jangde
8. Shri Gulab Chand Kataria
9. Shri Kankar Munjare
10. Shri Nandi Yellaiah
11. Shri Chhedi Paswan
12. Shri Ram Lal Rahi
13. Shri A.N. Singh Deo
14. Shri P.C. Thomas

SECRETARIAT

Shri K.C. Rastogi—*Joint Secretary*
Shri G.S. Bhasin—*Deputy Secretary*
Shri Swarn Singh—*Under Secretary*

INTRODUCTION

I, the Chairman of the Committee on Papers laid on the Table of the House, having been authorised by the Committee to present this Report on their behalf, present their Second Report.

2. As a result of examination of some papers laid during the Twelfth and Thirteenth Sessions (Eighth Lok Sabha), the Committee have come to certain conclusions in regard to delay in laying of the Annual Reports and Audited Accounts of the (i) Rashtriya Manav Sangrahalaya for the years 1985-86 and 1986-87 ; (ii) Kendriya Hindi Shikshan Mandal (Kendriya Hindi Sansthan), Agra for the years 1984-85, 1985-86 and 1986-87 ; (iii) Carpet Export Promotion Council for the year 1986-87 ; and (iv) Federation of Indian Export Organisations, New Delhi for the year 1986-87 and have made certain recommendations. The conclusions of the Committee are reflected in the Report.

3. The Committee considered and adopted this Report at their sitting held on 1st March, 1990.

4. A statement showing summary of recommendations/observations made by the Committee is appended to the Report (Appendix).

NEW DELHI ;
April, 1990
Chitra, 1912 (*S*)

SATYA PAL MALIK
Chairman,
Committee on Papers Laid on the Table.

CHAPTER I

DELAY IN LAYING ANNUAL REPORTS AND AUDITED ACCOUNTS OF THE RASHTRIYA MANAV SANGRAHALAYA FOR THE YEARS 1985-86 AND 1986-87.

The Annual Reports and Audited Accounts together with Review of the Rashtriya Manav Sangrahlaya for the years 1985-86 and 1986-87 were laid on the Table of Lok Sabha on 24th November, 1988 and 16th December, 1988 respectively.

1.2 In terms of the recommendation of the Committee on Papers laid on the Table made in paragraph 4.16 of their Second Report (Fifth Lok Sabha), these documents were required to be laid on the Table of Lok Sabha by the 31 December, 1986 and 31 December, 1987 respectively *i.e.* within 9 months of the close of the relevant accounting year. Thus, the period of delay involved in these cases worked out to about 2 years and about 11½ months respectively.

1.3 In the delay statements laid on the Table the reasons for delay in laying the Annual Reports and Audited Accounts had been explained as under :—

1985-86

> "The name and status of the National Museum of Man, Bhopal, a subordinate office under the Department of Culture, was changed to that of the Rashtriya Manav Sangrahalaya (RMS), Bhopal, an autonomous organisation under this Department, with effect from 15.3.1985. The RMS is being fully financed by the Government of India, Department of Culture. The Annual Report and audited Report and audited accounts of the RMS for the year 1985-86 were required to be laid on the Table of both the Houses by 31 December, 1986.
>
> The Annual Report/Audited Accounts of the Sangrahalaya for the year 1985-86 could not be laid within the stipulated period as the audit report on the annual accounts of the Sangrahalaya was

awaited. The copies of the audited accounts alongwith annual reports of the Sangrahalaya had since been received. The date-wise details of various stages of finalisation of the Annual Report and Aodited Accounts of the Sangrahalaya for the year 1985-86 were given below :—

(i)	Report on Annual Accounts as submitted by Chartered Accountant sent to the A.G. Madhya Pradesh, Gwalior on	17.11.1986
(ii)	Audit of RMS was undertaken by the A.G. Madhya Pradesh from	25.2.87 to 28.3.87
(iii)	Audit report sent by A.G. Madhya Pradesh to RMS on	8.6.1987
(iv)	Reply to audit report was sent by Sangrahalaya to A.G. Madhya Pradesh, on	20.7.1987
(v)	Audit Report approved by Executive Council of RMS, on	27.10.1987
(vi)	Annual Report and Audited Accounts received in the Department of Culture, on	23.2.1988
(vii)	The clarification as to whether Annual Report and Audited Accounts of the Sangrahalaya could be laid on the Table of Parliament without audit certificate received from Ministry of Finance on	16.9.1988

The Annual Report incorporating the Audited Accounts of the RMS for the year 1985-86 alongwith a review on the working of the Sangrahalaya during the year, both in English and in Hindi, are now laid on the Table of Lok Sabha/Rajya Sabha."

1986-87

"The Annual Report and Audited Accounts of the Rashtriya Manav Sangrahaloya, Bhopal, an autonomous Organisation fully financed by the Government of India, Department of Culture, for the year 1986-87 were required to be laid on the Table of Both the Houses of Parliament by 31 December, 1987. As audit was conducted under Section 14 of the Audit Act, the Accountant General, Madhya Pradesh did not issue audit certificate. This resulted in long correspondence with the Accountant General, Madhya Predesh and the Ministry of Finance and the matter could be settled only in September, 1988.

A brief account of the steps involved in finalishing the report was as under :—

1.	Chartered Accountant prepared Annual Accounts for 1986-87 on	26.6.1987
2.	Annual Accounts sent to Accountant General, Madhya Pradesh on	8.7.1987
3.	Accountant General, Madhya Pradesh conducted audit from	7.12.1987 to 29.12.1987
4.	Final audit Inspection Report received in Sangrahalaya on	15.3.1988
5.	Compliance report sent to Accountant General, Madhya Pradesh on	24.3.1988
6.	Audit Report approved by the Executive Council on	26.3.1988
7.	Report sent to Department of Culture on	8.4.1988
8.	Correspondence with Sangrahalaya and Accountant General (Madhya Pradesh) for audit certificate and later with Ministry of Finance for clarification whether audited accounts could be laid on the Table of Parliament without audit certificate, from	April to September, 1988
9.	Clarification received from Ministry of Finance on	16.9.1988

Effort would be made to see that the Annual Report and Audited Accounts of the Sangrahalaya are placed before the Parliament within the stipulated time-limit.

The Annual Report incorporating the audited accounts of the Rashtriya Manav Sangrahalaya, Bhopal for the year 1986-87 alongwith a review on the working of the Sangrahalaya during the year, both in English and Hindi, are now laid on the Table of Lok Sabha/ Rajya Sabha."

1.4 The Ministry of Human Resource Development (Department of Culture) were requested on 2nd January, 1989 to furnish information on certain points. The points on which the information was sought and replies of the Ministry thereto received on 24 February, 1989 were as under :—

POINTS	REPLIES
1. **The dates when —**	
(a) C&A G/A.G., Madhya Pradesh was approached for appointment of Statutory Auditors ;	The C&AG was requested to appoint an auditor for the RMS, Bhopal in December, 1985.
(b) Statutory Auditors were appointed by C&AG/ A.G., Madhya Pradesh;	On 28.7.86 the DAG nominated AG (Audit) I, M.P., Gwalior for conducting the audit of the RMS under Section 14(1) of the CAG's Act 1971 for the year 1985-86 and subsequent two years under Section 14(3) of the aforesaid Act.
(c) the annual accounts were compiled and were ready for being handed over to the Statutory Auditors for auditing.	17.11.86 for 1985-86 and 8.7.87 for 1986-87.
(d) the auditors furnished final audit Report to the Organisation ;	17.6.1987 for 1985-86 and 15.3.88 for 1986-87.
(e) Annual Report and audited accounts were taken up for translation and printing and time taken in it ;	For months for 1985-86 reports (The work of translation of the report, designing and printing the cover and typing the report was taken up after the audited report was approved by E.C. on 27.10.87) ; and 25 days for 1986-87 reports.
(f) the 'Review' report was prepared and furnished to the Ministry/Department ;	Review Reports were prepared by the Department of Culture on receipt of Delay Statement and annual Report and audited accounts of RMS.

	(g) delay slatement prepared and submitted to the Ministry/Department ; and	16.3.1988 for 1985-86 and 4-11.1988 for 1986-87.
	(h) Annual Report and audited accounts together with Review and delay statement were sent to the Ministry of Human Resource Development (Deptt. of Culture) for laying on the Table of the House.	
II.	The latest position of the Annual Report and Audited Accounts of the Organisation for the year 1987-88. When these are expected to be placed before Parliament.	The Annual Report for the year 1987-88 had already been prepared and approved by Executive Council on 19.9.88 and now the approval of the RMS Samiti was awaited. The audit for the period was also completed by the A.G. in December, 1988. After the receipt of Audit report and concurrence of the Samiti, the report would be completed and would be laid on the Table of Parliament during the Budget Session, 1989
III.	The remedial measures taken or proposed to be taken to ensure laying of annual Reports and audited accounts of the Organisation within the stipulated period of nine months from the close of the accounting year, in future.	The Department of Culture was watching the progress of the preparation of the Annual Report and the audited accounts through a fortnightly return and through reminders when necessary.

1.5. The matter was considered by the Committee on Papers laid on the Table at their sitting held on 23 August, 1989.

1	2	3
		accounts right from compilation of accounts to their placing before Parliament, and some Senior Officers at least of the rank of Deputy Secretary is assigned with the job of exereising periodical checks to see that the time schedule so drawn is strictly adhered, the Federation will never become up-to-date. The Committee, therefore, recommend that a time bound programme to this effect may be chalked out by the Ministry in consultation with the Federation and the Audit authorities, so as to complete all formalities within 9 months of the close of the accounting year and watch its adherance to ensure that the required documents of the Federation are placed before Parliament without delay.
12.	4.7	The Committee further note that the Ministry of Commerce did not lay a statement explaining the reasons for delay while laying the Annual Report and Audited Accounts for the year 1986-87. The Committee take a serious note of it as it is in complete disregard to their aforesaid recommendation made in this behalf. The Committee re-iterate that whenever the Annual Reports and Audited Accounts of an organisation are placed before Parliament after the prescribed period of nine months from the close of the accounting year, they should invariably be accompanied with a statement explaining the reasons for delay in a chronological order to enable the Committee to identify the particular stage where the delay took place and suggest corrective methods to obviate delay in future.